



FLASHBACK

THE DRUG THAT BANKROLLED SOME OF AMERICA'S GREAT DYNASTIES

BY SEAN BRASWELL • MAY 01 • 2015



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BY SEAN BRASWELL ([HTTP://WWW.OZY.COM/OZY-TRIBE/SEAN-BRASWELL/1319](http://www.ozy.com/ozy-tribe/sean-braswell/1319)) • MAY 01 • 2015

WHY YOU SHOULD CARE

Because the architect of the New Deal owed much of his privileged upbringing to his grandfather's lucrative drug deals.

Pulitzer Prize-winning journalist Westbrook Pegler, a vituperative critic of Franklin Delano Roosevelt, once wrote that the president's attack on the ill-gotten gains of America's wealthy was shameful hypocrisy given the fact that FDR's "buccaneer" grandfather's opium fortune had allowed Roosevelt and his family to enjoy "to the utmost ... luxury and riches derived from the degradation and wretchedness of the Chinese people."

The White House declined to comment and the issue fell out of the spotlight, but Pegler was right — and not just about the Roosevelts. In the mid-19th century, not only did the Chinese opium trade bring one of the wealthiest nations on Earth to its knees and convert Britain's Queen Victoria into "history's largest drug dealer (https://books.google.com/books?id=RW-mWK_XYZ4C&pg=PT237&lpg=PT237&dq=queen+victoria+history%27s+largest+d) but, a century before his grandson rose to power, it also made Warren Delano and the scions of several other prominent American families, very, very rich.

The 1700s were a boom time for China's Middle Kingdom, a flourishing nation that tripled its population to 300 million and could pretty much dictate terms to its overseas trading partners. As James Bradley explains in *The Imperial Cruise: A Secret History of Empire and War* (<http://www.amazon.com/The-Imperial-Cruise-Secret-History/dp/B007MXCB6Y>), China sold massive volumes of tea and silk to Western nations, but it refused to buy much in return. "We possess all things," one of its Manchu emperors told Britain's King George III in 1793. "I set no value on objects strange and ingenious, and have no use for your country's manufactures."

Delano's Chinese escapades were not a great source of pride for his distinguished descendants.

Fortunately for the West, one of the British Empire's more astute governor-generals, Warren Hastings of the poppy-growing region of Bengal, knew a product that would prove irresistible and help right one of the largest trade imbalances in history: opium. During the early 19th century, the Bengal-to-China opium trade became the world's most valuable commodity line, accounting for 15-20 percent of the British Empire's revenues. The approximately 12 million Chinese addicts called it Jesus opium after the white Christian smugglers who sold it from the "devil's ships

([https://books.google.com/books?](https://books.google.com/books?id=znorAAAAIAAJ&pg=PA258&lpg=PA258&dq=%22devil+ships%22+opium+Chin)

[id=znorAAAAIAAJ&pg=PA258&lpg=PA258&dq=%22devil+ships%22+opium+Chin](https://books.google.com/books?id=znorAAAAIAAJ&pg=PA258&lpg=PA258&dq=%22devil+ships%22+opium+Chin) in the Pearl River delta under cover of darkness. The illegal narcotic

(<http://www.ozy.com/fast-forward/pharmaceutical-marketing-the-first-amendment/33504>) worked even better than its Western traffickers could have hoped, sucking up 11 percent of China's money supply. The ensuing addiction (<http://www.ozy.com/acumen/deleting-addiction-one-memory-at-a-time/39589>) epidemic it created also tore at the nation's social fabric.

Most of the opium-laced wealth found its way into British hands, since the American traffickers had to buy the drug on consignment from Turkey or India. But the Americans who participated, including the Delanos and other New England families who were expert seafarers, made out like the real-life bandits that they were. FDR's grandfather Warren Delano first sailed for China at age 24 and, after a decade dealing drugs on the Pearl River, returned with a fortune that made him a highly eligible bachelor among New York's elite. In letters home, Delano admitted that opium had an "unhappy effect" on

the cadaverous, zombielike addicts he encountered, but said of its sale that “as a merchant I insist it has been ... fair, honorable and legitimate,” likening it to the importation of wine and spirits to America.

As Chinese authorities continued to clamp down on the trade, sparking the first of two Opium Wars between 1839–1842, Delano settled along New York’s Hudson River, where he invested his earnings in real estate and railroads and started a family. Remarkably, after losing most of his money in the cataclysmic Panic of 1857, Delano, at age 50, returned to China — leaving behind a wife who was pregnant with their ninth child — to try to recoup his fortune. And while the Civil War (<http://www.ozy.com/flashback/how-the-us-civil-war-started-and-ended-in-one-mans-house/40228>) raged on at home, Delano did indeed rebuild his fortune, in part by supplying medical opium to the U.S. War Department for treating Union soldiers.

Of course, Delano’s Chinese escapades were not a great source of pride for his distinguished descendants. “In a family fond of retelling and embellishing even the mildest sort of ancestral adventures,” Roosevelt biographer Geoffrey C. Ward observes in *Before the Trumpet* (<http://www.amazon.com/Before-Trumpet-Franklin-Roosevelt-1882-1905/dp/1443728314>), “no stories seem to have been handed down concerning Warren Delano’s genuinely adventurous career in the opium business.”

Many other affluent New England families made their fortunes from dealing opium as well. “The Cabot family of Boston endowed Harvard with opium money,” says Bradley, “while Yale’s famous Skull and Bones society was funded by the biggest American opium dealers of them all — the Russell family.” And add to that list John and Robert Forbes — of the Boston Forbesees, whose line includes current U.S. Secretary of State John Forbes Kerry.

That’s an awful lot of drug money in the hands of the nation’s elite — a sobering reminder that if you dig deep enough under the family trees of the massively wealthy, you’re bound to unearth something dirty.